GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

RAJYA SABHA

UNSTARRED QUESTION NO. 1965. TO BE ANSWERED ON FRIDAY, THE 23RD DECEMBER, 2022.

TARGET FOR INVESTMENT INFLOWS THROUGH FDI

1965. DR. KIRODI LAL MEENA:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) whether it is a fact that Government has not achieved the target set for investment inflows in India through the mode of Foreign Direct Investment (FDI);
- (b) if so, the sector-wise details including infrastructure sectors thereof during the last five years till date;
- (c) whether Government has taken adequate measures to attract FDI in India;
- (d) if so, the details thereof; and
- (e) the details of the share of FDI in the GDP of the country during the last five years?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI SOM PARKASH)

- (a) & (b): Government does not fix targets for FDI inflows as FDI is largely a matter of commercial business decision. FDI inflows into a country depends on a host of factors such as availability of natural resources, market size, infrastructure, general investment climate as well as the macro-economic stability and commercial decision of the foreign investors. The details of FDI equity inflow for various sectors, including infrastructure sectors, for the last five financial years and current financial year till September, 2022 are at Annexure –I.
- (c) & (d): To promote Foreign Direct Investment (FDI), the Government has put in place an investor-friendly policy, wherein most sectors, except certain strategically important sectors, are open for 100% FDI under the automatic route. Further, the policy on FDI is reviewed on an ongoing basis, to ensure that India remains an attractive & investor friendly destination and this has resulted in the increasing trend of FDI inflows into the country since the last eight years. Changes are made

in the policy after extensive consultations with concerned stakeholders including apex industry chambers, associations, representatives of industries/groups and other organizations. In the recent past, reforms in the FDI policy have been undertaken in sectors such as Insurance, Petroleum & Natural Gas and Telecom etc.

(e): The share of FDI as percentage of GDP of the country during the last five financial years is as under:

Financial Year	Gross FDI* to GDP(%)
2017-18	2.3
2018-19	2.3
2019-20	2.6
2020-21	3.1
2021-22	2.7

^{*} Gross FDI inflow include equity, reinvested earnings and other capital as published in India's balance of payments statistics. Sources: Reserve Bank of India; and Ministry of Statistics and Programme Implementation.

ANNEXURE - I

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF RAJYA SABHA UNSTARRED QUESTION NO. 1965 FOR ANSWER ON 23RD DECEMBER, 2022.

STATEMENT ON FINANCIAL YEAR WISE FDI EQUITY INFLOW FROM APRIL 2017 TO SEPTEMBER 2022

(Amount in US\$ million)

SI No	Sector	2017-18 Apr-Mar	2018-19 Apr-Mar	2019-20 Apr-Mar	2020-21 Apr-Mar	2021-22 Apr-Mar	2022-23 Apr-Sep	Total
1	METALLURGICAL INDUSTRIES	371.76	598.84	2,100.65	1.340.47	2,272.35	79.40	6,763.48
2	MINING	36.41	223.58	199.23	168.77	344.61	161.26	1,133.86
3	POWER	1,621.00	1,105.64	672.16	373.63	525.66	540.25	4,838.35
4	NON-CONVENTIONAL ENERGY	1,204.46	1,446.16	1,393.39	797.21	1,600.93	1,410.97	7,853.11
5	PETROLEUM & NATURAL GAS	24.18	138.43	805.76	102.81	56.41	19.35	1,146.95
6	BOILERS AND STEAM GENERATING PLANTS	68.13	0.01	0.08	0.90	0.00	0.00	69.12
7	PRIME MOVER (OTHER THAN ELECTRICAL GENERATORS)	159.06	244.92	85.35	279.97	25.08	71.16	865.54
8	ELECTRICAL EQUIPMENTS	488.72	976.50	571.39	1,411.95	683.70	747.32	4,879.58
9	COMPUTER SOFTWARE & HARDWARE	6,153.20	6,415.21	7,673.32	26,144.69	14,461.35	6,281.90	67,129.67
10	ELECTRONICS	196.87	451.88	422.36	375.31	417.00	130.61	1,994.03
11	TELECOMMUNICATIONS	6,211.84	2,667.91	4,445.16	392.11	668.14	694.06	15,079.22
12	INFORMATION & BROADCASTING (INCLUDING PRINT MEDIA)	638.67	1,252.36	823.40	313.89	152.27	178.85	3,359.45
13	AUTOMOBILE INDUSTRY	2,089.53	2,623.22	2,824.03	1,637.44	6,993.55	932.48	17,100.25
14	AIR TRANSPORT (INCLUDING AIR FREIGHT)	628.53	190.64	918.30	204.10	584.83	69.66	2,596.05
15	SEA TRANSPORT	1,051.49	279.25	198.58	294.20	393.81	131.86	2,349.19
16	RAILWAY RELATED COMPONENTS	98.54	72.19	138.32	119.64	1.26	1.16	431.11
17	INDUSTRIAL MACHINERY	462.82	338.18	424.63	253.33	320.66	154.19	1,953.81
18	MACHINE TOOLS	45.16	44.93	28.83	20.91	31.23	27.45	198.51
19	AGRICULTURAL MACHINERY	17.20	5.78	102.31	142.59	268.73	732.70	1,269.32
20	EARTH-MOVING MACHINERY	29.18	34.16	14.08	39.39	60.60	21.69	199.10
21	MISCELLANEOUS MECHANICAL & ENGINEERING INDUSTRIES	106.42	162.67	54.36	64.10	411.17	68.83	867.55
22	COMMERCIAL, OFFICE & HOUSEHOLD EQUIPMENTS	20.97	11.78	2.65	47.25	17.24	12.77	112.67
23	MEDICAL AND SURGICAL APPLIANCES	87.23	156.72	308.71	68.91	208.05	337.04	1,166.65
24	INDUSTRIAL INSTRUMENTS	2.28	1.62	8.32	0.70	0.11	0.00	13.03
25	SCIENTIFIC INSTRUMENTS	5.53	3.15	23.23	9.42	7.57	67.49	116.39
26	FERTILIZERS	26.68	86.73	9.12	17.89	6.07	0.79	147.28
27	CHEMICALS (OTHER THAN FERTILIZERS)	1,307.90	1,980.99	1,057.51	847.07	965.78	1,307.15	7,466.39
28	DYE-STUFFS	0.00	1.52	5.14	4.44	2.94	0.00	14.05
29	DRUGS & PHARMACEUTICALS	1,009.96	265.97	517.79	1,490.49	1,414.24	698.94	5,397.40
30	TEXTILES (INCLUDING DYED,PRINTED)	454.45	198.14	323.52	298.67	247.75	53.13	1,575.67
31	PAPER AND PULP (INCLUDING PAPER PRODUCTS)	71.17	38.00	49.96	22.42	158.48	18.06	358.09
32	SUGAR	7.90	1.10	0.46	24.94	0.55	0.12	35.06
33	FERMENTATION INDUSTRIES	38.48	149.49	313.67	84.77	869.52	205.74	1,661.67
34	FOOD PROCESSING INDUSTRIES	904.90	628.24	904.70	393.41	709.71	430.69	3,971.66
35	VEGETABLE OILS AND VANASPATI	85.12	116.22	79.97	44.97	5.85	12.06	344.19
36	SOAPS, COSMETICS & TOILET PREPARATIONS	137.03	154.09	99.05	103.53	548.89	86.29	1,128.88
37	RUBBER GOODS	392.21	197.64	81.21	265.94	70.73	127.11	1,134.84
38	LEATHER, LEATHER GOODS AND PICKERS	22.00	4.52	12.60	8.89	7.15	3.99	59.14
39	GLUE AND GELATIN	3.76	13.29	2.76	0.74	4.56	8.83	33.94
40	GLASS	70.92	35.59	24.01	42.36	588.22	40.65	801.75
41	CERAMICS	50.12	58.09	2.83	20.61	1.34	3.65	136.63
42	CEMENT AND GYPSUM PRODUCTS	19.44	17.61	5.10	3.78	204.41	0.78	251.12
43	TIMBER PRODUCTS	9.91	7.75	12.62	5.89	20.45	10.71	67.32

44	DEFENCE INDUSTRIES	0.01	2.18	2.20	0.63	2.36	3.21	10.60
45	CONSULTANCY SERVICES	759.67	410.61	1,046.80	938.44	1,150.40	273.18	4,579.11
46	SERVICES SECTOR	6,708.58	9,157.54	7,853.58	5,060.22	7,131.44	4,161.59	40,072.96
	(Fin.,Banking,Insurance,Non							
	Fin/Business,Outsourcing,R&D,Courier,Tech.							
	Testing and Analysis, Other)							
47	HOSPITAL & DIAGNOSTIC CENTRES	708.09	1,044.61	634.73	501.16	697.50	475.31	4,061.41
48	EDUCATION	285.75	776.73	766.15	1,250.37	3,228.68	961.59	7,269.26
49	HOTEL & TOURISM	1,131.97	1,075.75	2,937.79	368.96	729.08	221.65	6,465.19
50	TRADING	4,348.13	4,462.13	4,573.82	2,608.22	4,537.59	3,280.05	23,809.95
51	RETAIL TRADING	223.78	442.83	471.84	1,338.07	497.13	334.14	3,307.79
52	AGRICULTURE SERVICES	110.19	88.76	52.19	117.10	258.47	82.70	709.41
53	DIAMOND,GOLD ORNAMENTS	233.03	29.15	18.87	13.83	22.22	6.84	323.93
54	TEA AND COFFEE (PROCESSING &	20.02	13.64	6.88	8.65	3.09	0.60	52.88
	WAREHOUSING COFFEE & RUBBER)							
55	PRINTING OF BOOKS (INCLUDING LITHO	228.40	549.80	374.30	81.21	316.95	26.16	1,576.82
	PRINTING INDUSTRY)							
56	CONSTRUCTION (INFRASTRUCTURE)	2,729.69	2,258.00	2,041.72	7,874.54	3,247.51	990.35	19,141.81
	ACTIVITIES							
57	CONSTRUCTION DEVELOPMENT:	539.57	213.15	616.54	422.09	124.99	28.35	1,944.69
	Townships, housing, built-up infrastructure and							
	construction-development projects							
58	MISCELLANEOUS INDUSTRIES	398.76	440.46	839.00	767.52	492.91	183.32	3,121.97
	Grand Total	44,856.75	44,366.03	49,977.05	59,635.54	58,773.27	26,910.20	284,518.84

^{*} Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings and other capital. Sector-wise details are maintained only for equity component of FDI inflow.
